


Chairman Linda W. Cropp
at the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Chapter 10 of Title 47 of the District of Columbia Official Code to provide an exemption from real property taxation for lots 826 and 831 in square 491 and a payment in lieu thereof.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this Act may be cited as "The Freedom Forum, Inc. Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2003".

Sec. 2. (a) Chapter 10 Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation "47-1053. Payments in lieu of taxes; lots 826 and 831, square 491." at the end.

(b) A new section 47-1053 is added to read as follows:

"§47-1053. Payments in lieu of taxes; lots 826 and 831, square 491."

"(a) Subject to subsection (b) of this section, the real properties located in the District of Columbia described as lots 826 and 831 in square 491, together with improvements thereon, owned by The Freedom Forum, Inc., a non-profit corporation exempt from federal income taxation, or a wholly owned entity thereof disregarded for purposes of federal income taxation, ("properties"), are hereby exempt from real property taxation as of December 21, 2000. Recordation taxes assessed against The Freedom Forum, Inc. or its disregarded entity, as a result of the transfer of the properties, shall be forgiven and any amounts paid therefore refunded to the payor. The Freedom Forum, Inc. and its disregarded entities shall be exempt from transfer and recordation taxes arising from the transfer of any portion of the properties.

1 “(b)(1) Upon issuance of a final certificate of occupancy to The Freedom Forum, Inc. or
2 a disregarded entity, to operate the Newseum on the properties, the exempt properties or portion
3 thereof shall be subject to a payment in lieu of taxes at the election of the District of Columbia,
4 in accordance with the provisions of that certain Land Use Restriction Agreement dated as of
5 December 21, 2000 and recorded among the land records of the Washington D.C. Recorder of
6 Deeds (“Land Records”) as Document Number 2000117290, as amended by that certain First
7 Amendment to Land Use Restriction Agreement dated as of June 17, 2002 and recorded among
8 the Land Records as Document Number 2002071121 (as so amended, the “Land Use Restriction
9 Agreement”). The payment shall be treated in the same manner as a tax under § 47-1330(2) and
10 shall be subject to collection under Chapter 13A of this title.

11 “(2) Upon transfer of any portion of the properties to any other unrelated person,
12 that portion of the properties so transferred shall be subject to real property taxation in
13 accordance with the provisions of the Land Use Restriction Agreement.

14 (3) The foregoing provisions notwithstanding, in the event that The Freedom
15 Forum, Inc., or a disregarded entity enters into a joint venture with a third party for purposes of
16 development of the residential component of the subject project, that component shall become
17 subject to real property taxation upon the earlier to occur of (i) the date of issuance of a final
18 certificate of occupancy to The Freedom Forum, Inc. or a disregarded entity, to operate the
19 Newseum on the properties, or (ii) the date of issuance of the first final certificate of occupancy
20 to the aforementioned joint venture for the residential component of the project.

21 Sec. 3. Fiscal impact statement.

22 The Council adopts the fiscal impact statement in the committee report as the fiscal
23 impact statement required by § 602(c)(3) of the District of Columbia Home Rule Act, approved
24 December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206(c)(3)).

1 Sec. 4. Effective date.

2 (a) This act shall take effect upon its approval by the Mayor (or in the event of veto
3 by the Mayor, action by the Council to override the veto), a 30-day period of Congressional
4 review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, asp
5 approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.2(C)(1)), and publication
6 in the District of Columbia Register.